

## Message Text

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44

ORIGIN XMB-07

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SP-03

CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PM-07 H-03 L-03

NSC-07 PA-04 PRS-01 SS-20 USIA-15 AEC-11 ACDA-19

SCI-06 FEAE-00 DRC-01 /185 R

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DRAFTED BY: XMB:AMOHANIAN/RLS

APPROVED BY: EB/OCA/REP:MWDONOVAN

XMB:WARREN W. GLICK, ACTING EXEC VICE PRES

EB/IFD/ODF:EMLINTON

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R 271508Z JUN 74

FM SECSTATE WASHDC

TO AMEMBASSY TAIPEI

UNCLAS STATE 138647

E.O. 11652: N/A

TAGS: APUB, TS

SUBJECT: PRESS RELEASE ON EXIMBANK CREDIT TO REPUBLIC OF CHINA  
(TAIWAN)

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE  
DIRECT CREDIT OF \$199,498,800 TO TAIWAY POWER COMPANY OF TAIPEI.  
RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE IN WASHINGTON, D.C.  
FOR A.M. PAPERS, FRIDAY, JUNE 28, 1974.

QUOTE: U.S. EQUIPMENT SALE OF \$498.7 MILLION ASSISTED WITH EXIMBANK  
CREDIT OF \$199.5 MILLION FOR NUCLEAR PLANT IN REPUBLIC OF CHIN  
A

TO SUPPORT A \$498,747,000 SALE OF U.S. MATERIALS AND SERVICES  
REQUIRED FOR TWO 1000 MW NUCLEAR POWER PLANTS IN THE REPUBLIC  
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OF CHINA (TAIWAN), THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT

BANK OF THE UNITED STATES HAS AUTHORIZED A DIRECT CREDIT OF \$199,498,800 TO FINANCE 40 PERCENT OF THE TOTAL U.S. COSTS, ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY. CREDITS OF \$99,749,400 EACH FROM PRIVATE U.S. SOURCES AND FROM PRIVATE NON-U.S. SOURCES NOT YET DESIGNATED WILL FINANCE ANOTHER 40 PERCENT OF THE U.S. COSTS, AND IF REQUESTED, EXIMBANK WILL PROVIDE A FINANCIAL GUARANTEE OF THE PRIVATE FINANCING FROM THE U.S. THE OBLIGOR, TAIWAN POWER COMPANY (TAIPOWER) OF TAIPEI, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE U.S. COSTS OF 20 PERCENT OR \$99,749,400.

THE PROJECT PROVIDES FOR INSTALLATION OF TWO 1000 MW NUCLEAR POWER PLANTS OF THE LIGHT WATER, ENRICHED URANIUM TYPE WHICH ARE TO BE KNOWN AS TAIPOWER NUCLEAR UNIT #5 AND UNIT #6, AND ARE TO BE LOCATED AT THE SOUTHERN TIP OF TAIWAN, APPROXIMATELY 145 KILOMETERS SOUTHEAST OF KAOHSIUNG CITY. PRE-PROJECT ENGINEERING SERVICES WILL BE FURNISHED BY BECHTEL CORPORATION OF SAN FRANCISCO, BUT FINAL SELECTION OF THE U.S. CONSULTING ENGINEERING FIRM TO SUPPLY THE DETAILED DESIGN, PROCUREMENT, FIELD ENGINEERING AND CONSTRUCTION MANAGEMENT SERVICES HAS NOT BEEN MADE. ALSO, MAJOR U.S. SUPPLIERS OF THE NUCLEAR STEAM SUPPLY SYSTEMS, MAIN TURBINE GENERATOR SETS AND AUXILIARY APPARATUS HAVE NOT YET BEEN SELECTED.

TAIPOWER IS AN INTEGRATED ELECTRIC UTILITY RESPONSIBLE FOR THE GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRICITY THROUGH THE ENTIRE TAIWAN PROVINCE. TAIPOWER HAS BEEN THE RECIPIENT OF 13 EARLIER EXIMBANK CREDITS TOTALLING SOME \$1.3 BILLION.

DISBURSEMENTS MADE FOR NUCLEAR UNIT #5 UNDER THE CURRENT EXIMBANK CREDIT ARE TO BE REPAID IN 30 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 20, 1981, AND DISBURSEMENTS MADE FOR NUCLEAR UNIT #6 UNDER THE EXIMBANK CREDIT ARE TO BE REPAID IN 30 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 20, 1982, WITH EXIMBANK TO BE REPAID IN 30 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 20, 1981, AND DISBURSEMENTS MADE FOR NUCLEAR UNIT #6 UNDER THE EXIMBANK CREDIT ARE TO BE REPAID IN 30 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 20, 1982, WITH EXIMBANK TO BE REPAID OUT OF THE LAST 15 INSTALLMENTS OF EACH SCHEDULE. INTEREST ON 91 PERCENT OF EXIMBANK'S CREDIT IS TO BE CHARGED AT AN ANNUAL RATE OF 6 PERCENT AND INTEREST UNCLASSIFIED

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ON THE OTHER 9 PERCENT OF EXIMBANK'S CREDIT IS TO BE CHARGED AT AN ANNUAL RATE OF 7 PERCENT ON OUTSTANDING BALANCES. REPAYMENT IS TO BE GUARANTEED BY THE REPUBLIC OF CHINA ACTING THROUGH ITS MINISTRY OF FINANCE. UNQUOTE  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PRESS RELEASE ON EXIMBANK CREDIT TO REPUBLIC OF CHINA (TAIWAN)  
**TAGS:** APUB, TS  
**To:** TAIPEI  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005